5204631/2021/H&COOR SEC-YTC01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

YAT&C Department - Grant of Incentives for Development of Five Star Hotel, Service Apartments, Technology Space under 'Taj Varun Beach' brand at Visakhapatnam as per the provisions of AP Tourism Policy 2020-2025-Orders - Issued.

YOUTH ADVANCEMENT, TOURISM AND CULTURE (T) DEPARTMENT

G.O.MS.No.21 Dt:18.11.2021

Read the following:

1. G.O.Ms.No.11, YAT&C(T)Dept., Dt:28-12-2020.
2. Letter received from Managing Director, Varun Hospitality Pvt Ltd.,Vijayawada. Dt:25.03.2021.
3. Minutes of the SIPC Meeting, Dt:30.09.2021.
4. Minutes of the SIPB Meeting, Dt:27.10.2021.
5. U.O.Note.No.247/2021, G.A. (CABINET) Department, Dt:28.10.2021. (Council Resolution No.247/2021)

* * *

ORDER :-

The State of Andhra Pradesh is blessed with the country's second longest coastline (974 Kms), and perennial rivers and scenic backwaters, is home to one of the world's most visited religious destinations, is considered as the birthplace of Mahayana Buddhism, and boasts of a vibrant and rich culture and heritage. Evidently so, Andhra Pradesh is the fourth most visited state for domestic tourists in the country.

2. The Andhra Pradesh Tourism Policy 2020-2025 issued vide reference 1st cited, indicates the vision of the Government to develop the state into a premier world class tourist destination through luxury resorts, MICE centres, adventure parks and other tourism infrastructure. The Policy offers industry best incentives, attractive terms for land allotment that shall position the state as a premier world-class tourism destination with robust infrastructure. The state has been witnessing an increased interest from private players for investment in Tourism projects. The development of proposed 5-Star and above projects/Mega Projects/Large Tourism Projects through private investment will be a testament to the vision of the Government, to develop luxury and iconic projects in the state and will greatly aid in the overall development of the state.

3. In the reference 2nd read above, the Tourism Department has received an suo-moto investment proposal for Development of Five Star Hotel, Service Apartments, Technology Space under 'Taj Varun Beach' brand by M/s Varun Hospitality Pvt. Ltd at Visakhapatnam with an estimated investment of Rs.722.00Cr and potential total employment of 15000 Nos.

4. Accordingly, the proposal was placed before the State Investment Promotion Board (SIPB) meeting held on 27.10.2021 with the recommendations of the State Investment Promotion Committee (SIPC) in it's meeting held on 30.09.2021. After detailed discussions, the board has recommended to extend certain incentives to M/s Varun Hospitality Pvt. Ltd.

(Contd...2)

5. The Government after careful examination of the matter has agreed in principle for grant of incentives based on the recommendations of State Investment Promotion Board and as per provisions of A.P.Tourism Policy 2020-2025 for Development of Five Star Hotel with 260 rooms, 90 Service Apartments, 12,750 Sq Ft Convention Centre, 2500 Seating Technology Space under Taj Varun Beach brand by M/s Varun Hospitality Pvt. Ltd at Visakhapatnam with an estimated investment of Rs.722.00 Cr to the State.

The following are the incentives provided to M/s Varun Hospitality Pvt. Ltd based on the recommendations of the State Investment Promotion Board (SIPB) and as per the provisions of A.P.Tourism Policy 2020-2025:-

a. Reimbursement of 100% of net SGST accrued for a period of (5) five years from COD or up to realization of 100% of the fixed capital investment, whichever is earlier, in consonance with Clause No 9.6 of the A.P. Tourism Policy 2020-2025.
b. Fixed Cost Power Reimbursement at Rs.1.00 per unit for a period of 5 years from COD subject to a maximum of 82.8 lakh units per annum.

6. The Chief Executive Officer, Andhra Pradesh Tourism Authority, Vijayawada shall take further necessary action, accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RAJAT BHARGAVA
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Chief Executive Officer, Andhra Pradesh Tourism Authority, Vijayawada.
The Special Chief Secretary to Government & CIP, Industries and Commerce Dept., A.P.Secretariat, Velagapudi.
The Principle Finance Secretary to Government, Finance Dept., A.P.Secretariat, Velagapudi.
The Managing Director, Andhra Pradesh Tourism Development Corporation Limited, Vijayawada.
The Managing Director, Varun Hospitality Pvt Ltd., Vijayawada.
The District Collector and Magistrate, Visakhapatnam District.

Copy to:
Additional Secretary to Hon'ble CM.
OSD to Hon'ble Minister for Tourism (TC & YA).
PS to Special Chief Secretary to Government.
The GA(Cabinet) Department, A.P.Secretariat, Velagapudi.
SF/SC.

// FORWARDED :: BY ORDER//

G. Ramakrishna
SECTION OFFICER